

Debt Ceiling Crisis: Politically Engineered

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The Republicans have engineered a crisis out of what has always been a routine function of the federal government. The debt limit, often called a "debt ceiling," sets a cap on how much the U.S. Treasury may borrow from the public and from other governmental agencies.

Once the nation's outstanding debt nears the debt ceiling, Congress must vote on, and the president must sign, a bill that raises the limit. This has happened more than 90 times since 1940.

If Congress and the president fail to agree to a debt ceiling increase, the government risks defaulting on payments to at least some of its creditors. This would lead to lowering the U.S. government's usually top-tier credit rating. Many experts say that a default followed by a lowering of the U.S. credit rating could increase the costs of borrowing for all Americans and harm the fragile economy.

Now Republicans are saying that they will not raise the debt ceiling unless the Democrats agree to large cuts in government spending. Democrats are willing to compromise on cuts to programs if this is coupled with cuts to tax breaks for millionaires and billionaires and closing tax loopholes for large corporations.

Republicans have refused to compromise they insist that every cut must come out of cuts to education, student loans, child nutrition, transportation, infrastructure, and research and development. They are holding the nation hostage and refusing to govern. It is not right, it is not just and it is a threat to every working family in this country and I will oppose them every opportunity I get.